IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

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§	Civil Action No. 2:06-CV-72 DF
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DEFENDANT THE FROST NATIONAL BANK'S RULE 7.1(a) DISCLOSURE STATEMENT

Pursuant to Rule 7.1(a) of the Federal Rules of Civil Procedure, The Frost National Bank ("Frost Bank") hereby advises the Court that The New Galveston Company is Frost Bank's parent corporation. No publicly held corporation owns 10% or more of Frost Bank's stock.

Dated: June 5, 2006

Respectfully submitted,

By: __/s/ Kurt M. Sauer Kurt M. Sauer State Bar No. 17673700 DAFFER MCDANIEL, LLP 700 Lavaca Street, Suite 720 Austin, Texas 78701 Tel. (512) 476-1400 Fax (512) 703-1250 ksauer@dmtechlaw.com

ATTORNEY FOR DEFENDANT THE FROST NATIONAL BANK

CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5 (a)(3)(A) on June 5, 2006.

/s/ Kurt M.	Sauar	
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